



## Monthly Statistical Report

To: Russell J. Handy, Aviation Director  
From: Brian Pratte, Air Service Administrator  
Copies: San Antonio Regional Stakeholders  
Subject: March 2018 Monthly Statistics  
Date: April 18, 2018

### UNPRECEDENTED PASSENGER GROWTH IN MARCH 2018

#### SUMMARY

Exceeding passenger numbers for every previously recorded month except July 2017, San Antonio International Airport (SAT) again achieved double-digit passenger growth in March 2018. A record 848,233 total passengers flew through the airport during the first quarter's final month, a remarkable 10.6% increase over the same month last year. This represents the highest level of traffic for any month on record except July 2017 as well as the highest level of single month growth in well over a decade. Additionally, this growth bolsters calendar year-to-date totals which are up 9.7% continuing an ongoing trend of progress at SAT with the last 21 consecutive months having record passengers.

Domestic traffic for the month climbed nearly 10% compared to March 2017 due to increased demand driven heavily by the NCAA Men's Final Four. Capacity increases by most of the domestic carriers as well as new routes on Frontier and American also contributed to the growth. Moreover, international traffic surged 38.3% as a result of new and additional service to Toronto and Mexico City added last year.

With respect to air cargo, a total of 22,713,966 pounds moved through SAT in March 2018 representing a 6.1% increase YOY.

*(Please see Exhibit A for a detailed breakdown)*

Since the spring of 2016, 22 new flights have either been added or announced at SAT contributing to the recent passenger growth at the airport. These additions along with remarkable population growth are telling indicators of a flourishing economy in the San Antonio area. According to the Bureau of Labor Statistics, unemployment rates continue to fall year after year and are consistently below the national average. From January 2017 to January 2018, over 24,000 jobs were added in the Alamo City with notable growth in the tech, cybersecurity, bioscience and manufacturing sectors. The visitor and tourism industry continues to outpace their hotel occupancy targets set for the next several years and below national average cost of living continue to make San Antonio an increasingly attractive place to live, work and do business.

*(Sources: U.S. Census Bureau, San Antonio Economic Development Foundation and Visit San Antonio)*

#### SAN ANTONIO INTERNATIONAL AIRPORT

9800 AIRPORT BOULEVARD | SAN ANTONIO, TX 78216 | T: 210.207.SAIA (7242) | F: 210.207.3500



## DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased 9.3% or 41,186 seats in March 2018 vs. March 2017 with a total of 483,970 monthly departure seats. Airlines routinely make monthly or seasonal adjustments to the number of flights and seats available to match market demand trends.

Fall 2017, Frontier Airlines launched new non-stop service to five markets which contributed to a 364% surge in capacity for the airline in March. Furthermore, United Airlines increased their capacity over 11% by adding seats to many of their markets from SAT while American Airlines grew their capacity by 10% with the launch of Philadelphia and by deploying larger aircraft and/or increasing frequency to Charlotte, Chicago O'Hare and Phoenix. Southwest and Delta both grew capacity at or just over 3% with added seats to several markets. Seasonal adjustments were made on Allegiant with reduced frequency to Las Vegas.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	0.6%	4.3%
Allegiant Air	(22.3%)	(8.4%)
American Airlines	10.0%	8.4%
Delta Air Lines	3.4%	0.9%
Frontier Airlines	364.3%	350.1%
Southwest Airlines	3.0%	7.1%
United Airlines	11.3%	6.9%

When comparing year-over-year domestic capacity changes, the results were based on the following:

- American Airlines: began daily nonstop service to Philadelphia in February 2018 and increased aircraft gauge to Charlotte and Phoenix in April 2017
- Frontier Airlines: added service to New Orleans, Ontario, CA, Phoenix, San Diego and Washington-Dulles in fall 2017 and suspended seasonal service to Atlanta and Philadelphia in September 2017, a month earlier than 2016. Atlanta resumed in November 2017 and Philadelphia resumed in April 2018
- Southwest Airlines: Added capacity to several markets
- United Airlines: increased aircraft gauge to Chicago O'Hare, Denver and Newark in January 2018 as well as to Washington-Dulles in November 2017



## INTERNATIONAL PASSENGERS

Scheduled international capacity continued its upward trend in March 2018 at 24,441 monthly departure seats or 35.5%. This increase was primarily due to Volaris' new service to Mexico City which began September 2017, Air Canada's inaugural service to Toronto which began May 2017 and Interjet's added capacity to both Guadalajara and Mexico City which collectively added over 7,500 seats to the international market in March.

Overall, total international passengers increased by 38.3% YOY in March 2018. Despite this growth, the low value of the Peso and current macro-level economic and political uncertainties continue to suppress demand between Mexico and SAT. While the valuation of the Peso to the U.S. Dollar improved into 2018, with an increase of nearly 3% in March YOY, the Peso still remained over 17% less than it did in March 2015. As the Peso continues to regain value, leisure and VFR traffic between Mexico and the U.S. is expected to continue to improve.

Airline	Seat Capacity Change	Passenger Change
Air Canada	100%	100%
Aeromexico	(1.3%)	0.5%
Interjet	2.6%	16.2%
Southwest*	33.3%	7.6%
United*	N/A	N/A
Volaris	266.7%	211.4%

\*Southwest and United offer seasonal service to Cancun, Mexico.

When comparing year-over-year international capacity changes, the results were based on the following:

- Air Canada: new daily service to Toronto began May 2017
- Southwest & United: offers service to Cancun on a seasonal basis
- Volaris: launched daily service to Mexico City in September 2017 and decreased seasonal capacity to Guadalajara in June 2017



## RECENT SCHEDULE CHANGES

In March 2018, Mexican low-cost carrier Interjet, announced **NEW** daily nonstop service to León, Mexico, the fourth Mexican city served by the carrier and fifth from SAT. Service to Del Bajío International Airport (BJX) will begin June 22, operating on a 93-seat Sukhoi Superjet 100 aircraft offering convenient central access to Mexico's thriving Bajío region.

In February 2018, American Airlines launched **NEW** daily, year-round, non-stop service to Philadelphia, a market previously served only seasonally by Frontier. The new service is operated on a 128-seat Airbus A319 aircraft.

Frontier Airlines has recently added 10 **NEW** markets from SAT. Weekly service to New Orleans, Ontario, CA, Phoenix, San Diego and Washington-Dulles began in fall 2017 and service to Cincinnati, Colorado Springs, Orlando, Raleigh-Durham and San José, CA began in April 2018. Prior to these announcements, Cincinnati, Colorado Springs, Ontario, Raleigh and San José were all unserved markets with many on the airport's list of top target markets. In total, these new additions bring the total number of Frontier destinations either announced or served from SAT to 14 with all to be flown on 150-180 seat Airbus A319/A320 aircraft.

In November 2017, Southwest Airlines announced **NEW** daily, year-round, non-stop service to Oakland and Fort Lauderdale beginning July 8, 2018. Prior to this announcement, Oakland was an unserved market and Fort Lauderdale was only served on a seasonal basis. Both markets will bring much needed capacity to the Bay Area and Southeast Florida and will be flown on 143-seat Boeing 737 aircraft. Southwest has also recently added additional frequencies to multiple cities, mostly during the peak summer season.

Volaris recently launched **NEW** non-stop service to Mexico City in September 2017 flown on a 179-seat Airbus A320 aircraft. With this added service, SAT now offers four peak-day non-stop flights to Mexico's capital city.

In May 2017, San Antonio International Airport welcomed a **NEW** international carrier with Air Canada's daily non-stop service to Toronto, Ontario, Canada- the airport's first non-stop to Canada.

In 2018, Southwest Airlines will begin daily, direct (one-stop, no plane change) service to Ronald Reagan Washington National Airport (DCA). Though the layover city will fluctuate, the schedule will remain consistent each day.



## EXHIBIT A

### San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	March			Calendar Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
<b>Passengers</b>						
Domestic Enplanements	400,199	369,495	8.3%	1,051,584	967,495	8.7%
Domestic Deplanements	414,371	372,757	11.2%	1,078,564	986,907	9.3%
<b>Total Domestic Passengers</b>	<b>814,570</b>	<b>742,252</b>	<b>9.7%</b>	<b>2,130,148</b>	<b>1,954,402</b>	<b>9.0%</b>
Intl Enplanements	15,700	12,456	26.0%	42,792	34,598	23.7%
Intl Deplanements	17,963	11,885	51.1%	45,689	34,105	34.0%
<b>Total Intl Passengers</b>	<b>33,663</b>	<b>24,341</b>	<b>38.3%</b>	<b>88,481</b>	<b>68,703</b>	<b>28.8%</b>
<b>Grand Total All Passengers</b>	<b>848,233</b>	<b>766,593</b>	<b>10.6%</b>	<b>2,218,629</b>	<b>2,023,105</b>	<b>9.7%</b>
<b>Air Cargo (in Pounds)</b>						
Domestic Freight Enplaned	6,845,035	5,156,712	32.7%	18,954,506	13,999,570	35.4%
Domestic Freight Deplaned	8,642,534	8,846,689	-2.3%	24,640,447	23,327,224	5.6%
<b>Total Domestic Freight</b>	<b>15,487,569</b>	<b>14,003,401</b>	<b>10.6%</b>	<b>43,594,953</b>	<b>37,326,794</b>	<b>16.8%</b>
Intl Freight Enplaned	480,616	685,789	-29.9%	1,314,655	1,912,855	-31.3%
Intl Freight Deplaned	209,195	187,590	11.5%	404,702	600,965	-32.7%
<b>Total Intl Freight</b>	<b>689,811</b>	<b>873,379</b>	<b>-21.0%</b>	<b>1,719,357</b>	<b>2,513,820</b>	<b>-31.6%</b>
<b>Total Freight</b>	<b>16,177,380</b>	<b>14,876,780</b>	<b>8.7%</b>	<b>45,314,310</b>	<b>39,840,614</b>	<b>13.7%</b>
Mail Enplaned	2,510,598	2,470,319	1.6%	6,844,992	6,672,274	2.6%
Mail Deplaned	4,025,988	4,063,162	-0.9%	11,264,770	10,809,276	4.2%
<b>Total Mail</b>	<b>6,536,586</b>	<b>6,533,481</b>	<b>0.0%</b>	<b>18,109,762</b>	<b>17,481,550</b>	<b>3.6%</b>
<b>Grand Total All Air Cargo</b>	<b>22,713,966</b>	<b>21,410,261</b>	<b>6.1%</b>	<b>63,424,072</b>	<b>57,322,164</b>	<b>10.6%</b>